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Journal

Office of Legislative Counsel

Tuesday - 7 December 1954

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1. A group of CIA officials was briefed by Mr. Henry DuFlon, Special Assistant to the President's Advisor on Personnel Management, Mr. John Macy, Executive Director of the Civil Service Commission, Mr. Carl Harr, of the Department of State, and their assistants, on the Overseas Personnel Management Program for 1955. The State Department plans to submit its amendments to the Foreign Service Act of 1946 (in implementation of the Wriston Report) when the 84th Congress convenes. The Bureau of the Budget request for our comments on this legislation is presently in this office. In addition, the Department of State will consider legislation authorizing their scholarship-training program, and will support the overseas allowance proposals to be submitted on a Government-wide basis. No legislative action is being considered on the housing program as it is felt that this can be handled administratively. Government-wide legislation will be proposed in connection with the retirement of U. S. civilian employees with overseas service. This legislation will be on a basis of an increased percentage annuity after ten years of overseas service rather than utilizing the old concept of accelerated retirement. Legislation will probably be ultimately proposed in connection with the retirement of alien employees, but this will not be an early proposal. Current thinking is to tie them into the retirement systems of the host countries. This thinking will also probably be carried into future legislative proposals on alien personnel management. Legislation will be proposed involving general health and medical benefits; home leave; and allowances and differentials, including educational allowances for children.

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25X1A 3. In connection with the [ ] case (Journal of 6 December, Item 1), after having discussed the matter with Mr. Houston, I have informed [ ] of Security, that Security must make the initial decision as to whether or not the Army should downgrade its report containing CIA information in this case. [ ] has now informed 25X1A

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me that the Army has reversed its position and does not wish to de-classify the report. The Army wishes CIA concurrence in this decision. I have informed [ ] that, if this decision is negative, it is our opinion that our material should be presented to the Board of Employee Compensation Appeals through the medium of a cleared representative on the Board so that any final determination which the Board may reach will be based on all of the evidence.

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4. In response to his request, I have informed Mr. McElroy, of the office of Senator Bricker, that [ ] resigned from the Agency in 1951, and that there was no security problem involved. I told Mr. McElroy, however, that I did not believe that there would be any present job for [ ] at CIA, as his papers had been thoroughly reviewed at the time he left.

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